



Green Procurement Guideline

revision: July 2006

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Preface

Looking the current state of society from “environmental” perspective, we live in an age where manufactures are faced with further scope of responsibilities called “Extended Producer Responsibilities.” In order to make these responsibilities more effective, we must reduce environmental impacts and avoid environmental risks by reinforcing our protection activities, as we work together with our business partners in the purchase of materials that impose minimum environmental loads.

The RoHS directive and ELV directive restricting the use of certain hazardous substances in products came into effect. Moreover, the laws and regulation governing chemical substances in products will have been reinforced in Japan and China. Clarion Co., Ltd. has been conducting environmental activities on a higher level, from research and development to procurement, production, sales and scrapping. In order to promote further activities, we have revised our “Green Procurement Guideline” as follows.

Our wish is to continue promoting environmentally friendly product and business activities in close coordination with our business partners. For that reason, your understanding and cooperation in these vital conservation efforts will be highly appreciated.

July 1, 2006

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(A) Revision of the Green Procurement Guideline

In order to meet EU regulation (RoHS directive and ELV directive) and Self-imposed regulation of Japan Automobile Manufacturers Association, several contents has been revised. Moreover the deadline of “Clarion Toxic Substance Control list” has been reviewed based on the technical difficulty. All contents are re-translated into English.

(B) Major revised portion

1. “Scope”
2. “Pledge on the Disuse of Prohibited Chemical Substance”
3. “Documents to be submitted”

(Note: The drawing newly issued after July 2006 shows information about environmental requirement.)

2. Environmental policy

Basic Environmental Philosophy

Clarion Co., Ltd. recognizes that the environmental preservation is one of the most important issue of the human being and the fundamentals of the management. In accordance with our company philosophy, -“We pursue better environment in harmony with human, society and nature.”, “We fulfill our responsibility as a corporate citizen to implement prosperous society.”- Clarion Co., Ltd. dedicates itself to conserving nature’s valuable resources and minimizing the impact on our environment.

Basic Policy

We pursue a wide range of environmental activities, by evaluating the environmental impacts by our operation throughout the full range of corporate activities, Car –multimedia product planning, production, sales and service. We also set up the proper target to conduct environment-improvement activities on a continuing basis.

1. We will comply with all applicable environmental laws, regulations and self-imposed rules.
2. We will promote eco-friendly product planning at minimizing environmental impact and resources.
3. In order to promote recycle-oriented society, we will save energy and minimize the amount of waste at every stage of production and sales.
4. We will prevent environmental problems from occurring, such as leakage of drainage, oil or toxic substance.
5. We will promote the greening program of its facility and maintain good landscape conservation. Also we will prevent making a noise and vibration from its facility.
6. We will educate its employees on the observance of Environment Policy, raise their environmental awareness and encourage their interest in society.
7. We will disclose this Environment Policy.

3. Requests to Our Business Partners

(1) Establishment of Environmental Management System through acquisition of ISO14001

Although EMS(Environmental Management System) requires the establishment of the environmental policy, assignment of Management Representative, evaluation of the environmental impact and set up the environmental targets, EMS is the effective means to ensure to reduce the environmental impact and the following effects are expected.

a. Immediate effect

- You can save money on material, energy and cost of waste disposal. Also, pro-active cost is much lower than the cost of countermeasures after the trouble.
- You can prevent violation of environmental rule or environmental accident.

b. Indirect effect

- You can minimize your efforts to meet Green Procurement Guideline.
- Management process, know-how and personal skill will be organized.
- It leads to the improvement of the corporate image.

From these point of view, we expect you to acquire international standard ISO14001(or the third party certification such as EMAS) or equivalent to EMS.

Please fill out "Status report of ISO14001" (Appendix 1) and send to your contact person. None certified partners are requested to implement self-audit with "Self-evaluation report of Environmental Management"(Appendix 2) and send to your contact person at fixed interval.

For the selection of the business partner, "Environment" is considered as one of the key factor in addition to "Quality", "Cost" and "Delivery". We give priority to the business partner who is working on the environmental management positively.

(2) Clarion Green Procurement

1. Scope

This Guideline covers those businesses that supply following items to Clarion.

- a. Finished/semi-finished product which is designed or manufactured by Clarion affiliates (both domestic and overseas, included contracted designing/ manufacturing). Finished/semi-finished product with trademark of Clarion purchased from non Clarion company.

- b. Parts, indirect material (such as oil, tape etc. used in the manufacturing process) and raw material which are used for products mentioned above. (exclude parts/materials which is nominated/supplied by car manufacture.)
- c. Operation manual, warranty card, packing material and printed material which is included in the product.
(Note: Substances transferred from production machines/tools are included in this scope.)

2. Pledge on the Disuse of Prohibited Chemical Substance

We ask our partners to submit the documents which declare disuse of prohibited chemical substance and conformation of the deadline of “Clarion Toxic Substance Control list (Appendix 5)” in accordance with Clarion Green Procurement Guideline.

Please contact Clarion immediately when there are parts not applicable. It is necessary to submit a detail explanation.

3. Activities for resource saving and energy saving

- a. Promote to minimize the size and weight of the product
- b. Promote to minimize the power consumption both in operation mode or standby mode.

4. Reduction of Environmental Impacts at disposal of product

- a. Use recyclable plastic material instead of thermosetting plastic.
- b. Do not use Polyvinyl Chloride to prevent dioxin emissions.

5. Use Environmental-friendly packing material

- a. Use returnable container for transportation.
- b. Use reusable tray for small parts and sleeve container for IC.
- c. Packing materials also needs to comply with “Clarion Toxic Substance Control list”.

6. Information

Propose environmental-friendly parts/ material.

(3) Documents to be submitted

1. Pledge on the Disuse of Prohibited Chemical Substance
2. CTSA(Clarion Toxic Substances Application) Sheet
3. Substance Information for IMDS (International Material Data System) input. (on a request basis)
4. Data analyzed with the fluorescent X-ray analyzer or ICP analyzer of the disuse of Lead, Hexavalent Chromium, Mercury and Cadmium. (on a request basis)
5. Data of VOC specified 13 substances. (on a request basis)
VOC=Volatile Organic Compound
6. Due date
If you can not submit the documents in time, please notify us in advance.
7. Contact person

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